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SHELL EGG DIVERSION PROGRAM KC/43a

I. INTRODUCTION

The War Food Administration has authorized a diversion sales program for shell eggs purchased with Commodity Credit Corporation funds under the GCP Program. The eggs will be sold to firms who will render them and use them in the preparation of animal feed.

II. GENERAL DESCRIPTION OF THE PROGRAM

Since the early part of 1944, the Office of Distribution has been buying large quantities of shell eggs through Section 32 programs and through the GCP Program of CCC in order to remove the surplus eggs from the market and thus support producer prices. A quantity of the eggs purchased under the GCP Program are current receipt or ungraded eggs, and it is a part of these eggs which will be diverted to animal feed in order to release storage space. The estimated net loss from the program is \$4,425,000.

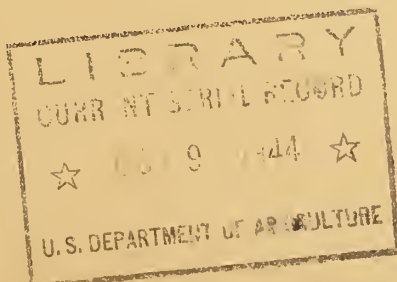
III. INVOICING AND COLLECTING

Sales made under this program will be invoiced and collected by Regional Finance Offices (Program Contract Accounting Sections) pursuant to Finance Instructions 558.2 and 558.7 for the Program Accounting Section. Accounting copies of invoices and collection documents will be forwarded to the Program Accounting Section for recording.

IV. ACCOUNTING AND REPORTING

The Commodity Accountability Section will report the deliveries from GCP inventory to the Program Accounting Section at cost and sales value. The delivery shall be treated as a sale to Program KC/43a at sales prices furnished by the Quotations Section, either in the quotation bulletin or as a special quotation.

Accounting under Program KC/43a will be performed by the Program Accounting Section in accordance with Finance Instructions 560.7, 561.7, 562.7, 563.7, and 564.7. Reporting will be performed by the Program Accounting Section pursuant to Finance Instruction 569.7.



Program Accounting
General
Diversion Programs

